

## [REDACTED] GROW/FINISH AGREEMENT

THIS AGREEMENT is made and entered into as of this 12<sup>th</sup> day of June, 1997, by and between [REDACTED], (hereinafter "[REDACTED]") and [REDACTED] here and after referred to as PRODUCER.

WHEREAS, [REDACTED] wishes to contract for the feeding of swine; and

WHEREAS, PRODUCER intends to construct facilities suitable for the feeding of Swine (the Facilities) and has the expertise to feed such animals; and

WHEREAS, PRODUCER is willing to contract with [REDACTED] for the day to day care of feeding the swine owned by [REDACTED],

NOW, THEREFORE, the parties agree as follows:

1. **TERM OF AGREEMENT.** This Agreement shall commence on the date of the first pigs placed in the facility and continuing for a period of 7 years thereafter. At the end of the ~~sixth~~ year the Agreement shall automatically extend for a period of one additional year unless the Agreement is terminated in writing by either party prior to the renewal date.

2. **DELIVERY.** [REDACTED] shall arrange for the delivery of pigs to the Facilities at [REDACTED] expense. All swine must be raised in strict accordance with [REDACTED] feeding and management program. [REDACTED] shall provide and arrange for the delivery to the Facilities all feed, grain, proteins, minerals, vitamins and medication (hereinafter collectively referred to as "Feed Products"), required under said feeding program. PRODUCER places the daily orders for the Feed Products. All Feed Products remain the property of [REDACTED] and any Feed Products remaining after the swine have been removed may be picked up by [REDACTED].

3. **TECHNICAL ADVICE & CONSULTATION.** [REDACTED] (or its agent's) fieldman shall make periodic visits to PRODUCER to give advice, assistance, and to inspect PRODUCER'S records, supporting the care and feeding of the swine. PRODUCER shall contact fieldman or [REDACTED] immediately in the event of an emergency. However [REDACTED] or its fieldman will determine it necessary to obtain the advice or services of a veterinarian.

4. **INDEPENDENT CONTRACTOR.** The relationship created by this Agreement is that of independent contractor and nothing contained herein is intended or shall be construed as creating any agency, employer-employee or other relationship. PRODUCER shall provide at PRODUCER'S expense such workman's compensation insurance, unemployment compensation insurance, disability and health insurance as may be required or advisable for PRODUCER and PRODUCER'S employees.

5. **MANAGEMENT RESPONSIBILITIES.** PRODUCER'S management responsibilities shall include but not be limited to the following:

- a. Provide portable equipment with a operating range of 16" to 72" necessary to unload and load swine.
- b. Maintain accurate records including swine mortality, as required by [REDACTED] and on forms provided by [REDACTED]. Completed and mailed by Saturday to [REDACTED].
- c. Dispose of waste as required by all applicable governmental regulations and good management practices.

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P. 02

- d. Dispose of all dead animals in accordance with all governmental regulations, public health laws and consistent with good management practices and provide necessary documentation of use of all combined disposal services.
- e. Obtain and maintain all required government permits necessary in connection with the raising and feeding of swine.
- f. To properly maintain, at PRODUCER'S, the buildings and equipment of the Facilities over the term of this Agreement.
- g. To load and unload all pigs without assistance from [REDACTED] onto vehicles provided by [REDACTED] at such time as [REDACTED] shall request.
- h. To return to [REDACTED], and to assist in bagging or repackaging, all unused feed, medical supplies, or any other supplies furnished by [REDACTED] which are deemed surplus at any time during the term of this Agreement or the termination thereof.
- i. To have Facilities cleaned, disinfected and ready to receive pigs within 2 days from the time the facility is empty.
- j. To provide all-weather roads to feed bins and each building load out. Also to maintain these roads in all conditions so as to be usable to [REDACTED] discretion.
- k. To not permit any other person to have physical access beyond the entrance gate to the Facilities without the written approval of [REDACTED]
- l. Rendering trucks must have a pick up location away from the Facilities that does not use the same drive way.
- m. Check pigs twice each day and administer treatment as needed. [REDACTED] shall be notified of anything that may have a material effect to [REDACTED].
- n. To provide normal disinfectants, syringes, needles, supplies, utilities, fuel, water and labor necessary to raise said pigs.
- o. To assist in the selection process as requested by the [REDACTED] selection person.
- p. To provide all the assistance necessary for the veterinarian to complete the required blood testing.
- q. To do all mass vaccinations requested by [REDACTED] when and how [REDACTED] requests.
- r. Keep the general premise inside and out in a condition acceptable to [REDACTED]
- s. Place a [REDACTED] sign at a approved location.  
[REDACTED] will provide sign and producer will install at producers expense.  
The sign will remain the property of [REDACTED].
- t. Producer shall maintain a dedicated telephone for alarm functions. This will be activated by a Sense-a-phone dialer. It will be necessary to get in full sized semi trucks to the site in all conditions.

- U. Producer shall provide a approved set of scales to weigh swine of market weight.
- V. Operate [REDACTED] Bio-Security plan to the fullest extent.

6. **LOSS OF SWINE.** PRODUCER shall be responsible for the loss of any swine through theft, conversion, mysterious disappearance or inventory discrepancy. Such swine shall be valued at market hog price at time of notice of loss for a 240lb animal, and such value shall be deducted from any compensation due PRODUCER and PRODUCER shall be liable for any amounts remaining unpaid after deduction from PRODUCER'S compensation.

7. **WAIVER OF PROPERTY DAMAGE.** PRODUCER hereby waives any and all claims for recovery from [REDACTED] for loss or damage to PRODUCER'S property caused directly or indirectly by the swine.

8. **THIRD-PARTY CLAIMS.** PRODUCER shall be responsible for any claims, damages or injuries caused by the swine delivered to the Facilities pursuant to this Agreement or PRODUCER'S management of the Facilities and hereby INDEMNIFIES AND HOLDS [REDACTED] HARMLESS from any such claims, damages or injuries.

9. **TRAINING.** PRODUCER agrees to attend training sessions concerning Grow/Finish Production as designated by [REDACTED] and follow all written and oral advice as given by [REDACTED] and or it's Fieldman.

10. **TRANSPORTATION.** The Transportation of pigs to and from the Facilities shall be the responsibility of [REDACTED]. All labor shall be provided by the Producer.

11. **INSURANCE.** PRODUCER shall obtain and furnish [REDACTED] with certificates of Insurance evidencing liability insurance, including contractual coverage with minimum limits of \$500,000. for bodily injury and property damage.

12. **FACILITY REQUIREMENTS.** PRODUCER specifically agrees to provide and maintain in proper and sanitary working order, facilities meeting the following minimum requirements:

- a. Confinement buildings providing 7.65 sq. ft. per pig space: ✓
- b. Make available to swine a minimum of one water nipple per every 10-15 swine: ✓
- c. Have feeder space available the rate of one lid(or equivalent) per four swine.
- d. Feeder openings must be adjustable to no more that 1/4 of an inch.
- e. Portable loading and unloading equipment with a operating range of 16" to 72"
- f. Proper alarm functions with a operating phone dialer.
- g. Bio-Secure area. As defined in the [REDACTED] production manual.
- h. Telephone answering and Faxing capabilities will be required.
- i. Operating curtain drops increase of power failure.

Producer shall provide, at his own expense, all labor, utilities and equipment necessary to provide a maximum amount of comfort for the swine.

13. **RIGHT TO INSPECT.** PRODUCER specifically agrees that at all times during this Agreement, [REDACTED], its agents, employees and representatives shall have the absolute and irrevocable right to enter upon the lands constituting PRODUCER'S farm, the Facilities and any other designated hog production area to inspect the PRODUCER'S hog operations for the purpose of confirming that all terms, duties and obligations under this Agreement are being met.

14. **WARRANTIES OF PRODUCER.** PRODUCER hereby warrants the following:

- a. To adhere to the feeding and health maintenance programs and management recommendation provided by [REDACTED] or its agents;
- b. To endeavor at all times to produce hogs of the highest and best quality;
- c. Not use any Feed Products except those provided or approved by [REDACTED];
- d. To cooperate fully with [REDACTED] to provide, prepare and make available records supporting the care and feeding of the swine;
- e. To comply with all laws and regulations applicable the feeding and care of swine;
- f. That no live swine shall be removed from the Facilities without the prior written consent of [REDACTED];
- g. At no time during the duration of the Agreement will PRODUCER place or allow anyone else to place other swine in the Facilities; and,
- h. PRODUCER shall be responsible to [REDACTED] for all death loss in excess of 4% of the original deliveries of swine and all subsequent deliveries of swine, if such death loss is attributable to PRODUCER'S negligence. (Pig death from manure gas is producers responsibility to prevent)

15. **PAYMENT.** [REDACTED] will compensate PRODUCER \$ 42 per pig space per year. A pig space is defined as 7.65 sq. ft total slatted area available for pig rearing. The feeder space is not deducted. The payment will be made by the 10th of the month following the month the pigs use the building. At the start up each building will come on line as a unit when the first pig is placed in the building. Payment obligation will start no later than 3 weeks after each building is accepted by [REDACTED]. The first payment will be prorated for the portion of the month that the building is occupied. All following payments will be mailed by the 10 Th. of the month.

#### Grow/Finish Premiums

- a. Select Parent Gilts \$3.00 Per Select Gilt shipped to customer.
- b. Select Grand Parent Gilt \$3.00 Per Select Grand Parent Gilt
- c. Non-Select Barrows \ Parent Gilts \ Terminal Boars and Grand Parent Gilts that will be sold to slaughter will not be eligible for Premiums.

All Premiums will be paid by the 10th of following month after each group close-out. All Producer Records must be fully up to date.

It will be totally [REDACTED] decision as to what type of stock will be placed into the facility.

**16. EVENTS OF DEFAULT.** PRODUCER shall be in default upon the happening of any of the following events:

- a. Default under any financing agreement, security agreement, note or any other document, writing or instrument evidencing an obligation of PRODUCER to a lending institution.
- b. Actual or attempted levy, seizure or attachment of any of the swine or any of [REDACTED] property delivered to the Facilities or otherwise to PRODUCER.
- c. PRODUCER preventing or impeding [REDACTED] or its authorized representative from inspecting or examining the Facilities or the swine;
- d. Insolvency or bankruptcy of the PRODUCER;
- e. If [REDACTED] determines at its sole discretion that PRODUCER is failing to properly care for or protect the swine or any of [REDACTED] property located at the Facilities or otherwise in the possession or control of PRODUCER;
- f. The happening of any event which in the opinion of [REDACTED] endangers or impairs the swine or [REDACTED] property.
- g. Failure of PRODUCER to perform its obligations under this Agreement.
- h. Any representation or warranty made by PRODUCER or on behalf of PRODUCER proves to be incorrect or otherwise misleading.

**17. ACTION BY [REDACTED] ON DEFAULT OF PRODUCER.** [REDACTED] must provide written notice to PRODUCER of such default by PRODUCER. If the default remains uncured for a period of ten days from the date of the notice, this Agreement may be modified or terminated by [REDACTED] at its election. It is the objective of [REDACTED] to not terminate the Agreement. If the default is from (16. c.) above and it becomes necessary for [REDACTED] to operate the facilities then the remainder of the contract will be considered a lease. The lease payment will be at 71 % of the original monthly contract fee. It will be at [REDACTED] sole discretion as to how long to lease the facilities.

**18. WAIVER OF DEFAULT.** No waiver by [REDACTED] of any default shall operate as a waiver of any other default or of the same default on a future occasion.

**19. FACILITY LOCATION.** The Facilities shall be located at: (legal description)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**20. OWNERSHIP.** PRODUCER understands and agrees that all swine delivered to the Facilities are the property of [REDACTED] West Des Moines, IA and the swine and all the increase thereof, if any, shall be and at all times remain the property of [REDACTED]. PRODUCER shall have no ownership interest of any kind in any of the swine. PRODUCER shall execute any UCC-1 financing statement or other document [REDACTED] deems necessary or advisable to protect [REDACTED] ownership of the swine and other related expenses.

21. **LIENS. PRODUCER** waives any right PRODUCER may have to assert and agrees not to assert or permit to be asserted any lien upon any of the swine which are the subject matter of this Agreement and will indemnify and hold [REDACTED] harmless from any and all such liens or claims to any of the swine or the proceed thereof.

22. **ASSIGNMENT AND MODIFICATION.** This Agreement is binding on the heirs, executors, and assigns of the parties. This Agreement can only be changed, modified or assigned by the execution in writing of such change, modification or assignment by [REDACTED].

23. **HEADINGS.** The headings used in the Agreement are inserted for convenience only and constitute neither a portion of this Agreement nor in any manner affect the provisions or interpretation of this Agreement.

24. **CHOICES OF LAW.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Iowa without reference to its conflict of law rules.

25. An existing 550 head facility is located on the site. This will be used at the rate of \$24.00 per pig space of 8 sq. Ft. This will be paid monthly along with the new building. Payments will be made in 12 equal monthly payments. Feed conversion of 3.2 or better will required to keep the facility in use. This facility will be used before the new facility is completed but will be subject to all rules and amendments of this agreement. The new facility will be completed before payment is required.

**IN WITNESS WHEREOF,** the parties have executed this Agreement on the day and year first above written.

**PRODUCER** [REDACTED]

By: [REDACTED]

[REDACTED]  
(address)

[REDACTED]  
(telephone no.)

[REDACTED]  
(social security no.)

[REDACTED]  
By: [REDACTED]

*Paw*  
(title)

12 June, 1997